

E.F.G.H. Limited

**Directors' report and financial
statements**

Registered number 1326790

31 December 2001



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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2001.

Principal activities

The company's principal activity is that of residential development.

Business review

The directors are satisfied with the performance of the company in the current economic climate.

Proposed dividend

The directors do not propose the payment of a dividend.

Policy and practice on payment of creditors

The company's policy and practice for the payment of most of its trade creditors is to follow the CBI's Prompt Payment Code (copies available from the CBI, Centre Point, 103 New Oxford Street, London, WC1A 1DU). For other suppliers, payment terms are agreed when goods and services are ordered, and payment is made according to those terms. The company's average creditor payment period at 31 December 2001 was 30 days (*2000: 30 days*).

Directors and directors' interests

The directors who held office during the year and up to the date of this report were as follows:

D G Bryant	(Chairman)
GN Francis	(appointed 1 May 2002)
G Grewer	(resigned 1 May 2002)
A F Hadman	
M H Killoran	

None of the directors has an interest in the shares of the company.

Directors' report *(continued)*

Directors and directors' interests *(continued)*

The directors who held office at the end of the financial year had the following interests in the ordinary shares of 10p each of the ultimate parent company, Persimmon plc, as recorded in the register of directors' share and debenture interests:

	Interest at 31 December 2001	Number of shares			Interest at 1 January 2001 or date of appointment
Ordinary shares					
A F Hadman	18,788				5,240
		Number of options during the year			
		Exercised	Granted	Lapsed	
Share options					
A F Hadman	180,195	(42,486)	15,000	-	207,681
SAYE share options					
A F Hadman	4,572	(4,642)	2,288	-	6,926

The interests of D G Bryant, M H Killoran and G Grewer are disclosed in the directors' report of the ultimate parent company.

The share options held are exercisable from April 1995 to March 2007, at prices ranging from 165p to 340.5p.

Auditors

Pursuant to section 386 of the Companies Act 1985, an elective resolution to dispense with the obligation to appoint auditors annually was passed on 6 May 1997.

By order of the board



TL Davison
 Secretary

Persimmon House
 Fulford
 YORK
 YO19 4FE

25 October 2002

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the directors confirm that:

- suitable accounting policies have been selected and then applied consistently;
- judgements and estimates have been made that are reasonable and prudent;
- applicable accounting standards have been followed; and
- the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

1 The Embankment
Neville Street
Leeds
LS1 4DW

Report of the auditors to the members of E.F.G.H. Limited

We have audited the financial statements on pages 5 to 10.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor

25 October 2002

Profit and loss account
for the year ended 31 December 2001

	<i>Note</i>	2001 £000	2000 £000
Turnover			
Continuing operations		1,827	4,592
Cost of sales		(1,821)	(4,490)
		<hr/>	<hr/>
Gross profit		6	102
Net operating (expenses)/income		(90)	(35)
		<hr/>	<hr/>
Operating (loss)/profit			
Continuing operations		(84)	67
Net interest receivable	2	11	11
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation	3	(73)	78
Tax on ordinary activities	6	22	(23)
		<hr/>	<hr/>
Balance transferred to reserves	11	(51)	55
		<hr/>	<hr/>

No separate statement of total recognised gains and losses has been presented as the company has no recognised gains or losses other than the result for the years as shown above.

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above, and their historic cost equivalents.

Balance sheet
at 31 December 2001

	<i>Note</i>	2001 £000	2000 £000
Fixed assets			
Investments	7	-	-
Current assets			
Debtors	8	2,981	3,704
Cash at bank and in hand		2,009	21
		4,990	3,725
Creditors due within one year	9	(4,273)	(2,957)
Net assets		717	768
Capital and reserves			
Called up share capital	10	250	250
Profit and loss account	11	467	518
Equity shareholders' funds	12	717	768

These financial statements were approved by the board of directors on 25 October 2002 and were signed on its behalf by:



MH Killoran
 Director

Notes

(forming part of the financial statements)

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below:

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

The company is exempt, under Section 228 of the Companies Act 1985, from the requirement to prepare group accounts.

The company is exempt from the requirement of Financial Reporting Standard 1 (Revised) to prepare a cash flow statement as it is a wholly owned subsidiary undertaking of Persimmon plc, and its cash flows are included within the consolidated cash flow statement of that company.

Turnover

Turnover represents invoiced property maintenance income and property rentals receivable.

Interest

Interest is written off to the profit and loss account as incurred.

Taxation

Provision is made for tax on taxable profit, payments from group undertakings for the surrender of taxation losses and for deferred tax which is likely to crystallise in the foreseeable future.

2 Net interest receivable

	2001 £000	2000 £000
Other interest receivable	11	11

Notes (continued)

3 Profit on ordinary activities before taxation

	2001 £000	2000 £000
<i>Profit on ordinary activities before taxation is stated</i>		
<i>after charging</i>		
Auditor's remuneration:		
Audit	-	2
Non audit	-	-
	<hr/>	<hr/>

4 Remuneration of directors

None of the directors received any remuneration from the company (2000: £Nil).

5 Staff numbers and costs

The company had no employees during the year (2000: Nil).

6 Tax on ordinary activities

	2001 £000	2000 £000
UK corporation tax (credit)/charge at 30% (2000: 30%)	(22)	23
	<hr/>	<hr/>

There is no potential liability to deferred taxation (2000: £Nil).

7 Fixed asset investments

	2001 £	2000 £
Shares in subsidiary undertakings	26	26
	<hr/>	<hr/>

The subsidiary undertakings, which are registered in England and Wales, are listed below. In each case the shares held are "B" ordinary shares and the company owns all the shares of that class which have been issued.

E.F.G.H. Management (Soham) Company Limited
E.F.G.H. Management (Studlands Five) Company Limited
E.F.G.H. Management (Studlands Six) Company Limited
E.F.G.H. Nominees Limited

None of the subsidiary undertakings traded during the year.

Notes (continued)

8 Debtors

	2001 £000	2000 £000
Trade debtors	83	86
Amounts owed by group undertakings	975	953
Prepayments and accrued income	1,923	2,665
	<hr/> 2,981	<hr/> 3,704

All debtors are due within one year.

9 Creditors due within one year

	2001 £000	2000 £000
Amounts owed to group undertakings	1,994	2,036
Corporation tax	42	65
Accruals and deferred income	2,237	856
	<hr/> 4,273	<hr/> 2,957

10 Called up share capital

	2001 £000	2000 £000
<i>Authorised</i>		
10,000,000 Ordinary shares of 10p each	1,000	1,000
<i>Allotted, called up and fully paid</i>		
2,500,000 Ordinary shares of 10p each	250	250

11 Reserves

	Profit and loss account £000
At 1 January 2001	518
Retained loss for the year	(51)
	<hr/>
At 31 December 2001	467

Notes (continued)

12 Reconciliation of movements in shareholders' funds

	2001 £000	2000 £000
(Loss)/profit for the financial year	(51)	55
Opening shareholders' funds	768	713
Closing shareholders' funds	<u>717</u>	<u>768</u>

13 Contingent liabilities

In the normal course of business, the company has given counter-indemnities in respect of performance bonds and financial guarantees.

14 Commitments

At 31 December 2001, there were no capital commitments contracted for but not provided in the financial statements (2000: £Nil).

15 Related party disclosures

The company is controlled by Persimmon plc, its ultimate parent company.

16 Ultimate parent company

The company is a wholly owned subsidiary undertaking of Ideal Homes Holdings Limited.

The ultimate parent company is Persimmon plc.

The consolidated financial statements of Persimmon plc are available to the public and may be obtained from:

The Company Secretary
Persimmon plc
Persimmon House
Fulford
YORK
YO19 4FE